

16 February 2009

It has come to the attention of the Board of Selectmen that the citizens of Litchfield are concerned that our town has not filed for receipt of grants under the Federal Government's Stimulus program. To explain and clarify Litchfield's status we wish to update you on the efforts and discussions we have held in an effort to take advantage potentially available monies.

Selectmen have been in communication with Mr. Orville "Bud" Fitch of the NH Attorney General's Office who has been appointed by Governor Lynch as coordinator for the State's efforts for grant monies. Bud informed the Selectmen that at present, there is no mechanism for submitting grant requests and it is not known how much or what types of projects would be covered under the stimulus package. The state is not collecting grant information at present and is only referring towns to various governmental agencies for discussions. Mr. Fitch recommended that Litchfield speak with Mr. Janelle of the Department of Transportation (DOT), Mr. Stewart of the Department of Environmental Services (DES) as well as the Federal Department of Agriculture, Rural Development office.

Selectmen contacted Mr. Janelle of DOT and discussed the road projects that were presented to the voters under the warrant articles. Mr. Janelle stated that there are, in general three types of projects that are being considered but that there is no funding information yet available. The first is for bridges which must be greater than 20 feet in span of which Litchfield has none, the second project type is for Highways of a certain class which Mr. Janelle stated Litchfield has none and the third type of project is for Transportation enhancement projects such as the bike path. The bike path project in Litchfield is already on the state listing of projects and hence is already known. Per Mr. Janelle, nothing further is needed. In closing, Mr. Janelle stated that once more details are known, there may be grants but there are so many projects currently on the state's books it is doubtful that projects would be brought down to the road level similar to Litchfield's needs. When asked if there were avenues that the town could pursue of which he may be aware, Mr. Janelle stated that the most likely chance would be through the schools.

Discussions of project work were conducted with Mr. Stewart of DES concerning programs that may be available for funding. Mr. Stewart stated that there are four broad funding areas under existing programs that are out there. First is for Waste Water systems (sewers and associated plants), second is for Drinking water, third are programs for storm water and lastly for brownfield sites (ground contaminated sites). Litchfield has no sewer systems so there is no funding available. For drinking water, Mr. Stewart stated that these projects are for work that can commence in 80 to 180 days. It was his feeling that there was no project in Litchfield that would be suitable under this tight timeline. When asked about the establishment of a new well would require significant time in planning and locating, etc. Litchfield's water system is owned by a private company while the wells are owned by Hudson. Hence, DES funding would not work in our case. Mr. Stewart explained that the storm water program was designed to eliminate

or mitigate the risk of contaminants entering the environment and Litchfield's replacement of culverts would not fit into that program. Litchfield has no brownfield sites. Mr. Stewart went on to explain that the requirements of the stimulus package are not known and there is no present indication of what they will contain. He explained that he and his staff at DES are tracking the information closely and he can not predict when funding will become available or for what types of work. One area that he expressed may have funding is the mitigation of diesel engine exhaust but he did not know when that would be approved. He explained that the submissions forms on the DES web site are for existing DES projects and may tie into stimulus funding but from the discussions, Litchfield has no appropriate programs that would qualify.

The Selectmen have also been in contact with the Department of Agriculture, Rural Development Office and spoke with their coordinator. In response to our request to see if funding was available for construction of works like a fire station, expansion to the town hall, etc. we were told that due to the high median household income of Litchfield (\$73,302) we do not qualify for any grants and could only be provided with a General Obligation Bond (Loan) similar to that available at the NH Bond Bank. The General Obligation Bond does not provide any benefits or savings to the town above those obtainable from the NH Bond Bank and in fact require several inspections and design considerations by the Agriculture Department thus making the process more complex. These bonds are part of an existing program and there is no information on what may be available from any approved stimulus package.

Selectman Santom contacted the Union Leader to understand the article that was published in a recent edition. Per the Sunday News Editor for the article, they obtained their list from the Local Government Center in Concord. Additionally the Union Leader had no knowledge of a 'Litmus Test' regarding the receipt of stimulus funds. They were surprised because of the number of affluent towns on the list. As stated above, Litchfield does not qualify for receiving funds due to project size and the average household income. The Union Leader is initiating a follow-up article covering the litmus test and the distribution of funds. This article may center on Litchfield and the stimulus impact. Please note that the stimulus bill requirements may or may not contain a means or "litmus test" as the final details of the bill are not yet known.

Selectmen also contacted the Local Government Center (LGC) and spoke to the list's author Mr. Chris Porter. Chris confirmed that it was his list that went to the state newspapers but stated that the list is in no way tied into the work efforts of Mr. Fitch and is simply a list he collected from emails and letters sent to the LGC. He stated that this list is very incomplete and holds information on only 120 municipalities or half of the state cities and towns. He went on to state that there is no penalty or issue if a town does not submit information for the LGC list. He knew of no submission process for the town's projects to the state and that the parameters of the Stimulus project and the types of projects covered are not known. Chris mentioned that DES has established a form to fill out on their web site for stimulus funds but that this seemed to be ahead of any details of a stimulus plan (see above under DES). He stated that Litchfield is not in any way behind the curve in this regard. His original intention for assembling the list was to

provide it to Senator Shaheen for her to get a sense of the types of projects that may be available in the state. Chris explained that his list currently has listed \$2.5 Billion in Highway project work (for 120 towns/cities) which is significantly above any money he would expect NH to receive in highway grants in a stimulus bill.

In closing you need to be aware of the following:

- Litchfield has not failed to submit a list of projects for funding to any state, federal or governmental organization to take advantage of the Stimulus program;
- There currently exists no mechanism to submit projects nor has there been developed any criteria for the types of projects that may be funded;
- The Board of Selectmen will send to the LGC a list of potential projects that it will also make available to our citizens. Please be aware that this list does not in any way connect to the Federal Stimulus package;
- Once the Stimulus package is issued, Litchfield Selectmen will examine the programs and determine if any projects may be suitable for submission. If so, then Litchfield will take full advantage of the program.

Should you have any questions on this please do not hesitate to contact one of the members of the Board of Selectmen. We hope that this clears up some of the confusion surrounding the Stimulus Package wish lists people have seen published in the local papers.